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TRENDS IN NET OVERSEAS MIGRATION: QUEENSLAND

INTRODUCTION

Population change in each state and territory is the combined result of net overseas migration, natural increase (births minus deaths), and net interstate migration (population change through the movement of people from one state or territory to another). All three components of population change contribute, in varying degrees, to the growth, size and structure of the population in each jurisdiction.

Net overseas migration (NOM) has emerged as a highly topical, and somewhat contentious, issue in recent years, particularly within the context of the Sustainable Population Strategy for Australia and the recent impact of international students on population counts. Variations in the number and characteristics of people arriving and departing the country impact on policy decisions and future planning at all levels of government, and on issues such as skilled and unskilled labour supply; national income from the educational services provided to international students; housing availability; cultural diversity; and social cohesion.

This article presents a brief national view of overseas migration, followed by an analysis for Queensland. It uses the most recent data to examine changing patterns in the characteristics of overseas migrants and their contribution to NOM in Queensland.

Net Overseas Migration (NOM): Definition

Net overseas migration is the net gain or loss of population through immigration to Australia and emigration from Australia. It is based on an international traveller's duration of stay being in or out of Australia for 12 months or more. It is the difference between the number of incoming international travellers who stay in Australia for 12 months or more, who **are not** currently counted within the population, and are then added to the population (NOM arrivals); and the number of outgoing international travellers (Australian residents and long-term visitors to Australia) who leave Australia for 12 months or more, who **are** currently counted within the population, and are then subtracted from the population (NOM departures).

Under the current method for estimating final net overseas migration, this term is based on a traveller's **actual** duration of stay or absence using the '12/16 month rule'. Preliminary NOM estimates are modelled on patterns of traveller behaviours observed in final NOM estimates for the same period one year earlier. For further information, see [Migration Australia \(cat. no. 3412.0\)](#).

The status of quarterly NOM data changes over time from **preliminary** to **final** as new data become available. An individual's actual true travel behaviour and associated characteristics are only available from final NOM data, as these can only be accurately recorded at the end of the 16 month reference period following a traveller's initial border crossing. For further information, see [Australian Demographic Statistics \(cat. no. 3101.0\)](#).

In this article, the data relating to the 2009 calendar year are final data, whereas those relating to the 2010 calendar year are preliminary. All NOM data used in this article are based on the '12/16 month rule' methodology and are sourced from the ABS Travellers' Characteristics Database.

The National View

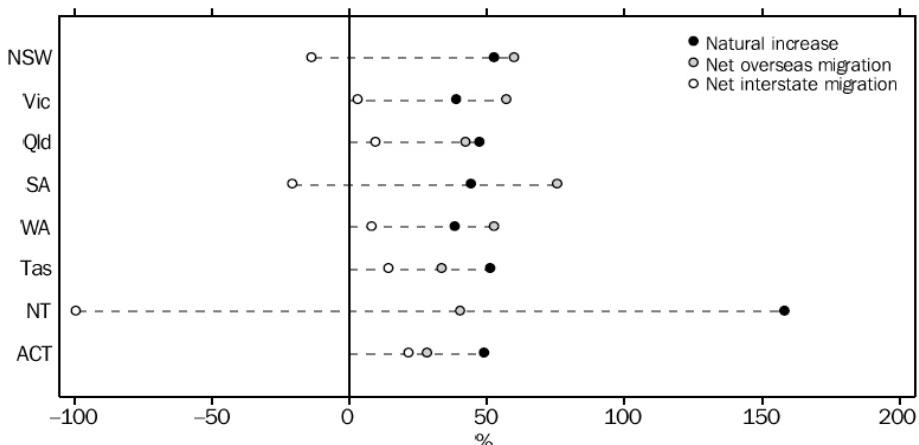
While natural increase has remained relatively stable in recent years, NOM has been far more volatile. The past decade has seen significant fluctuation in immigration estimates due to a number of factors including recent increases in temporary migrants; changing levels of demand for skilled migrants; the relative health of Australia's economy during the global financial crisis; and improvements in methodology to measure the travel behaviour of temporary migrants more effectively.

In recent years, NOM has accounted for over half of the nation's population growth. Preliminary NOM estimates for 2010 added 171,100 persons to Australia's population, representing 54% of the nation's total population growth for the year, with natural increase accounting for the remaining 46%. In 2010, Australia's total population grew by 317,100 persons or 1.4%.

In 2010, NOM contributed the greatest number of people to the most populous states: NSW with a net of 51,100 persons, followed by Victoria (48,000) and Queensland (31,600). The NT received the smallest number with 690 persons.

While all states and territories experienced positive NOM in 2010, it was the main component of population growth in SA (76%), NSW (60%), Victoria (57%), and WA (53%).

Fig 1. Population components, Proportion of total growth(a), 2010 (b)(c)



(a) Each population component as a proportion of a state's or territory's population growth for the calendar year 2010.

(b) These estimates use the '12/16 month rule' methodology for calculating NOM.

(c) Estimates for 2010 are preliminary.

Source: *Australian Demographic Statistics* (cat. no. 3101.0).

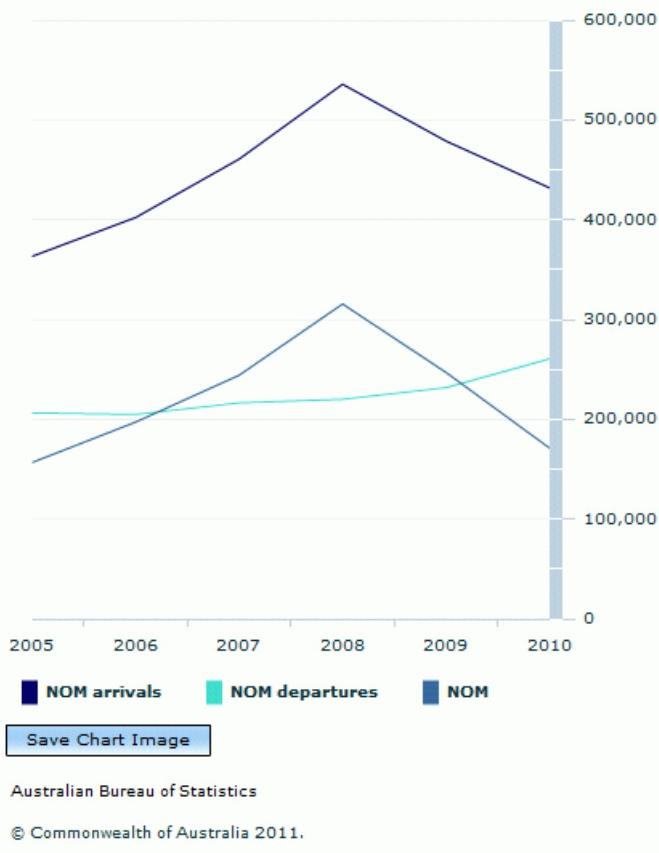
Arrivals and Departures

At the national level, NOM is traditionally positive, with more arrivals than departures contributing to a net increase in Australia's population each year. Over the five years from 2005 to 2010, NOM in Australia increased by 9% (14,300 persons), with arrivals increasing by 19% (68,500 persons) and departures increasing by 26% (54,200 persons).

In 2010, however, NOM declined for the second consecutive year after strong growth for the previous three, with arrivals to Australia dropping by 10% (-46,800 persons) from the previous year and departures increasing by 12% (29,000 persons). The result was an overall decline in NOM of 31%, or 75,800 persons, from the previous year, significantly slowing the five year growth rate.

This decline in net overseas migration to Australia is mainly driven by the temporary visa holders who arrived in earlier years and who are now starting to depart the country in larger numbers. While temporary visa holders, and in particular international students, have been a key driver in the growth of NOM in the three years to 2008, their departures are a major impact on the recent sharp decline in NOM. This reflects recent policy changes restricting eligibility for temporary visa entrants who apply for permanent residency whilst onshore (Australian Productivity Commission 2010, Ch 4, p.21).

Fig 2 Components of Net Overseas Migration(a)(b) - Australia.



Footnote(s): (a)These estimates use the '12-16 month rule' methodology for calculating NOM (b)Estimates for 2010 are preliminary

Source(s): Australian Demographic Statistics (cat. no. 3101.0); ABS Traveller Characteristics Database, data available on request

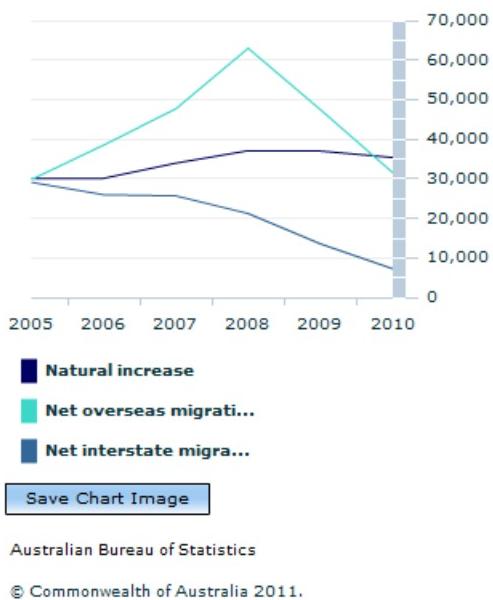
QUEENSLAND

Overseas Migration and Population Growth

While net overseas migration has formed the main component of population growth in Queensland in recent years, preliminary estimates for 2010 saw NOM fall below natural increase as the main component of total population growth in the state. In 2010, preliminary NOM estimates for Queensland added 31,600 persons to the population, representing 18% of national NOM and 43% of the state's total population growth (74,200 persons) for the year.

The main component of population growth in Queensland in 2010 was natural increase, which added 35,400 persons to the state population, while net interstate migration accounted for the remainder of Queensland's total population growth, contributing a net 7,200 persons.

Fig 3 Population Components(a)(b), Queensland, 2005-2010



Footnote(s): (a) These estimates use the '12/16 month rule' methodology for calculating NOM. (b) Estimates for 2010 are preliminary.

Source(s): Australian Demographic Statistics (cat. no. 3101.0); ABS Traveller Characteristics Database, data available on request

Arrivals and Departures

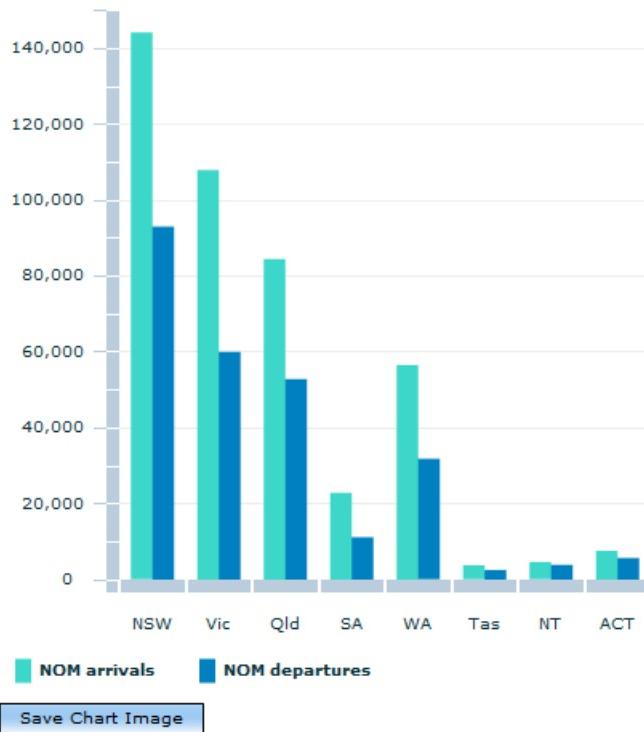
Over the five year period 2005 to 2010, NOM in Queensland increased by 6% (1,700 persons), compared with 9% at the national level. During this period, arrivals to Queensland increased 20% (14,100 persons) while departures increased 31% (12,400 persons).

In 2010, there were 9,800 fewer (-10%) overseas arrivals in Queensland than in the previous year. However, overseas departures continued to increase with 6,100 more (13%) departures than in the previous year. The result was an overall decline in NOM of 33% (-15,900) from 2009, compared with the national decline of 31%.

Overseas Migration Flows

In 2010, there were 84,400 arrivals to, and 52,900 departures from, Queensland. Thus, the combined flows of overseas migration (arrivals and departures) was 137,300. Of the jurisdictions, only NSW (237,200) and Victoria (167,900) recorded larger flows of overseas migration.

Fig 4 Overseas Migration Flows, State & Territories - 2010 (a)



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Footnote(s): (a) Estimates for 2010 are preliminary.

Source(s): Australian Demographic Statistics (cat. no. 3101.0)

To assess the effect of these gross overseas migration flows, it is useful to consider them as a proportion of the total population. In Queensland, overseas migration had a moderate effect on population turnover, accounting for 3.0% of the total population in 2010, compared with 3.1% for Australia. Of the jurisdictions, Queensland had one of the lowest levels of population turnover from overseas migration after SA and Tasmania.

Fig 5 Population Turnover(a) from Overseas Migration, States & Territories, 2010(b)(c)



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Footnote(s): (a) Gross overseas flows as a proportion of a state or territory's total population at 31 December 2010. (b) These estimates use the "12/16 month rule" methodology for calculating NOM. (c) Estimates for 2010 are preliminary.

Source(s): Australian Demographic Statistics (cat. no. 3101.0).

The Travellers' Characteristics Database

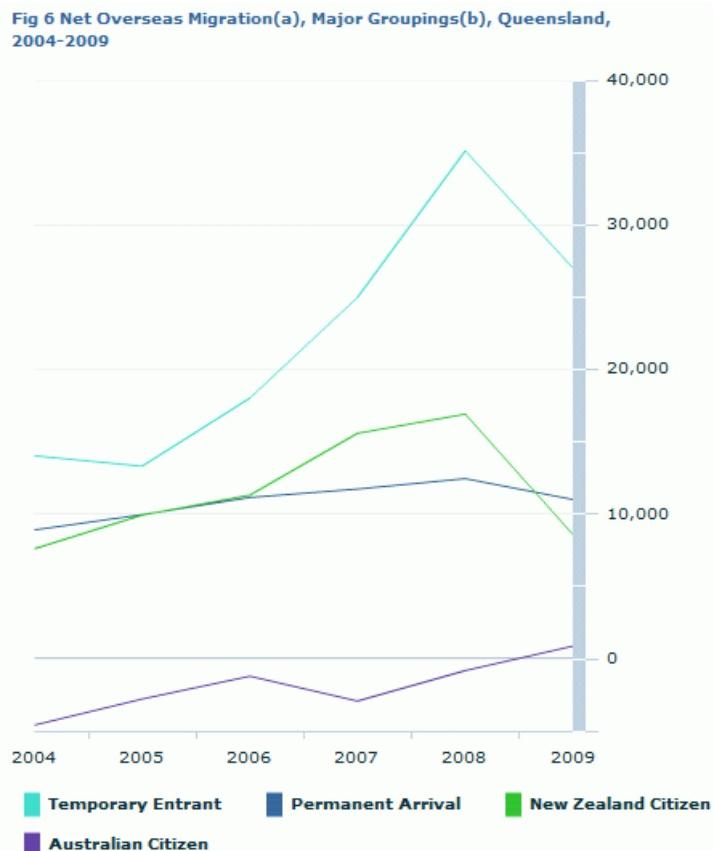
With the introduction of the '12/16 month rule' methodology for estimating NOM, the ABS also developed an analytical data set called the Travellers' Characteristics Database. These improvements allow the derivation of an individual's actual true travel behaviour (using final NOM data) and record certain characteristics of travellers who have contributed to NOM whether they are NOM arrivals or departures. The database provides for additional analysis on final NOM data that was not previously available.

The following analysis of NOM by major groupings and visa types has used data extracted from the Travellers' Characteristics Database. All data from the database are based on the '12/16 month rule' methodology.

Factors that should be taken into account when analysing data from the Travellers' Characteristics Database include the impact of global and regional events, legislative changes in Australia and abroad, and economic activity, all of which can change traveller behaviour.

Major traveller groups

In recent years, four major traveller groups have impacted on NOM estimates for Queensland: temporary visa holders; permanent visa holders; New Zealand citizens; and Australian citizens. Other traveller groups, having a smaller impact, include residents returning (i.e. non-Australian citizens who are permanent residents) and people travelling with onshore visas or with visa unknown.



Select a different graph

Fig 6.1 NOM(a), Major groupings(b), Queensland



Save Chart Image

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Footnote(s): (a)These estimates use the '12/16 month rule' methodology for calculating NOM. (b)Does not include onshore and other visa types. The visa category information in this table represents the visa at the time of a traveller's specific movement. It is the specific movement that has been used to calculate NOM.

Source(s): ABS Traveller Characteristics Database, data available on request.

Over the five years from 2004 to 2009, there was a 93% net increase in the number of temporary visa holders contributing

to NOM in Queensland, from 14,000 to 27,000 persons. This was higher than growth at the national level (62%) and in each of the other jurisdictions except the NT (98%). However, in 2009, the net figure for Queensland decreased 23% (-8,100 persons) from the previous year, significantly slowing the five year growth rate in this jurisdiction.

In comparison, permanent visa holders made a steadily increasing contribution to NOM in Queensland over the five year period, increasing by 24% from 8,900 to 11,000 persons. This net increase in permanent visa holders was similar to the national increase (23%) but below that recorded in most other jurisdictions. Of the jurisdictions, only Tasmania (10%) and NSW (4%) recorded lower rates of growth.

For the same period, the net number of New Zealand citizens increased by 13% (1,000 persons) in Queensland. While this was consistent with the increase of 14% at the national level, it was lower than that recorded in the other states and territories except NSW, which experienced a decrease (-18%). In 2009, the net number of New Zealand citizens in Queensland dropped 49% (-8,300 persons) when compared with the figure for the previous year.

Traditionally, Australian citizens have a net negative input to NOM as more Australians depart each year than return. However, the combined effect of an increase in arrivals and a decrease in departures saw the contribution of Australian citizens to the Queensland population change, from a net loss of 4,600 persons in 2004, to a net gain of 860 persons in 2009.

Major Groupings and Visa Type

The following section provides a further breakdown of the major groupings and visa types that contributed to NOM in Queensland during 2009, the most recent year for which the data are available.

MAJOR GROUPINGS AND VISA TYPE (a), % of Total NOM, States & Territories, 2009

	NSW	Vic	Qld	SA	WA	Tas	NT	ACT	Australia
Temporary visas	63.7	63.7	56.9	50.9	53.4	47.6	55.5	67.6	60.0
VET sector	15.5	23.4	15.0	14.4	10.2	5.1	5.7	9.0	16.7
Higher education sector	18.7	19.5	12.0	19.8	10.3	21.3	8.5	27.6	16.7
Student other	11.0	7.7	7.7	5.3	4.8	4.7	3.6	7.1	8.0
Total students	45.2	50.7	34.7	39.4	25.2	31.1	17.8	43.7	41.4
Business long stay (subclass 457)	2.5	4.3	8.4	6.7	14.5	8.6	29.5	11.8	6.4
Visitor(b)	8.4	7.8	8.0	5.1	9.6	9.1	8.8	10.3	8.1
Working holiday	13.6	4.7	9.0	2.5	8.3	1.8	5.2	4.8	8.4
Other temporary visas	-6.1	-3.7	-3.1	-2.9	-4.2	-2.9	-5.8	-3.1	-4.3
Permanent visas	37.1	32.6	23.2	45.0	35.2	43.1	41.0	36.7	33.5
Family	18.4	13.0	9.4	9.2	10.1	14.4	19.4	13.1	13.2
Skill	12.9	15.2	10.9	29.5	20.4	14.5	14.5	19.0	15.4
Special eligibility & humanitarian	5.9	4.5	2.9	6.3	4.7	14.3	7.1	4.6	4.8
New Zealand citizen	5.6	6.2	18.1	2.5	9.0	5.3	4.7	4.1	8.4
Australian citizen	-2.5	-0.1	1.8	3.9	0.2	4.7	6.3	-6.7	-0.1
Other (c)	-4.0	-2.5	-0.1	-2.2	2.2	-0.7	-7.5	-1.7	-1.8
Total	100.0								

(a) The visa category information in this table represents the number of visas based on the visa type at the time of a traveller's specific movement. It is this specific movement that has been used to calculate NOM. Therefore, the number of visas in this table should not be confused with information on the number of visas granted by DIAC.

(b) Visitor visas include tourist, business visitors, medical treatment and other.

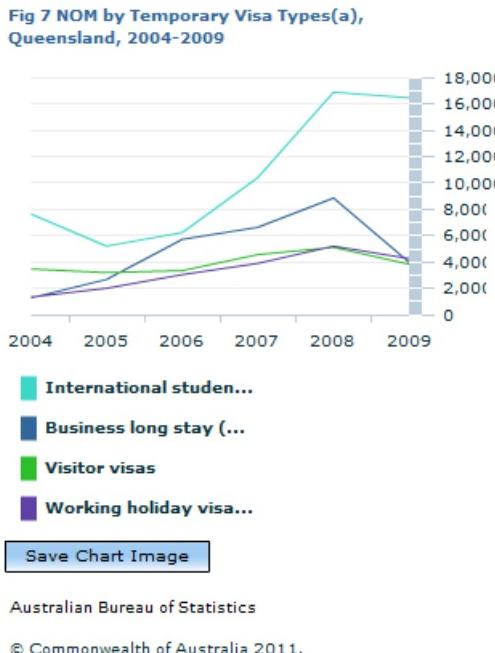
(c) Includes residents returning (i.e. non Australian citizens who are permanent residents), onshore visas and visa unknown.

Source: ABS Traveller Characteristics Database, data available on request.

Temporary Visas

In 2009, temporary visa holders made the largest net contribution to NOM in Queensland, with 57% of the total NOM figure for the year. This was slightly lower than for Australia as a whole (60%) and below that recorded in the ACT (68%), NSW and Victoria (both 64%). The number of temporary visa holders arriving in Queensland during 2009 was 45,500 persons, representing 48% of all arrivals, while the number departing was 18,500, or 40% of all departures. This resulted in 27,000 additional temporary visa holders in the Queensland population.

Temporary visas issued in Australia fall into several categories, the principal ones being International student; Business long stay (457); Long term visitor and Working holiday visas.



Footnote(s): (a)These estimates use the '12/16 month rule' methodology for calculating NOM.

Source(s): ABS Traveller Characteristics Database, data available on request.

International Students

Over the five year period from 2004 to 2009, the net number of international students contributing to NOM in Queensland more than doubled (up 116% or 8,800 persons). This growth in student NOM is mainly attributed to the large disparity between NOM arrivals and NOM departures, which in part reflects the time lag effect of a student's course duration. The disparity could also reflect the number of students who changed their visa and residency status whilst onshore.

There was a slight decline (-3%) in student NOM for Queensland in 2009. Despite this, international students made up the largest group of temporary visa holders contributing to NOM in Queensland during 2009, adding a net of nearly 16,500 to the state's population, or 35% of the total NOM figure. This was lower than the proportion recorded at the national level (41%) and in most other states and territories except Tasmania (31%), WA (25%) and the NT (18%).

Within this group, international students travelling to Queensland on vocational education and training visas formed the largest component, with a net 7,100 students representing 15% of total NOM in 2009. The higher education sector represented 12% of total NOM in Queensland (5,700 students) while all other student visas accounted for 8% (3,600 students).

Business Long Stay Visas

Between 2004 and 2009, the net number of temporary business visas (otherwise known as 457 visas) contributing to the Queensland population more than tripled (up by 213% or 2,700 persons). This growth in Business 457 visas most likely reflects the state's relatively buoyant economy over recent years, with a strong resources sector contributing to low unemployment and labour shortages in specific occupations.

Temporary business entrants can stay in Australia up to four years and can also apply for other visas during their stay. They may also obtain permanent residency under the Employer Nomination Scheme, the Regional Sponsored Migration

Scheme, a Labour Agreement, or the Skilled Independent visa program. The sharp decline (-55%) in business 457 visa holders for Queensland in 2009 may, in part, reflect the economic uncertainty faced by employers during the Global Financial Crisis.

Despite this, people entering with business long stay visas added 4,000 persons to the Queensland population in 2009, accounting for 8% of the total NOM figure for the year. While this was slightly higher than representation at the national level (6%), it was considerably below that in the NT (29%), WA (14%) and the ACT (12%).

Visitor Visas

The net number of long-term visitors (staying 12 months or more) contributing to the Queensland population increased over the five years 2004 to 2009, with 350 (10%) more visitors in 2009 than in 2004. In 2009, this group contributed 3,800 persons to the Queensland population, representing 8% of total NOM for the year. This was consistent with representation at the national level (8%) and similar to representation in the other jurisdictions. Of this group, 76% were tourists, 10% were business visitors, 2% were sponsored family visitors, and the remaining 13% were visitors of other types.

Working Holiday Visas

Working holiday makers are permitted to stay for a period of up to 12 months from the date of initial entry. However, many of these visa holders stay more than 12 months, and therefore contribute to NOM estimates. This includes people who have undertaken seasonal work in regional Australia and become eligible to apply for a second working holiday visa, as well as those who have applied for, and been granted, a different visa whilst onshore.

Between 2004 and 2009, the net number of working holiday makers contributing to NOM in Queensland more than tripled (up by 216% or 2,900 persons). This growth in working holiday visa holders may relate to the state's relatively strong economic standing during recent global financial events, increasing the appeal for international travellers to visit and work temporarily in Queensland.

In 2009, working holiday-makers added a net 4,200 persons to the Queensland population, representing 9% of total NOM for the year. This was similar to representation at the national level (8%) and higher than that recorded in the other states and territories, except NSW (14%).

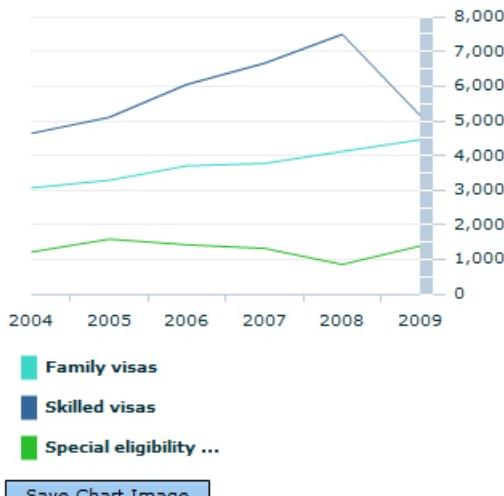
Permanent Visas

Permanent visa holders made a much smaller contribution to total NOM in Queensland in 2009 than temporary visa holders (23% and 57% respectively). This was lower than the proportion of permanent visas at the national level (34%) and in each of the other states and territories.

In 2009, the number of permanent visa holders arriving in Queensland was 12,000 persons, representing 13% of all arrivals, while the number departing was 1,000 persons, or 2% of all departures. This resulted in 11,000 permanent visa holders being added to the Queensland population.

Permanent visas are grouped under three broad categories: Family visas; Skilled visas; and Special eligibility and humanitarian visas.

Fig 8 NOM by Permanent Visa Types(a),
Queensland, 2004 - 2009



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Footnote(s): (a) These estimates use the '12/16 month rule' methodology for calculating NOM.

Source(s): ABS Traveller Characteristics Database, data available on request.

Family Visas

Over the five years to 2009, there was a 45% (1,400) increase in the net number of family visa holders (granted offshore) contributing to the Queensland population. In 2009, this visa group made a smaller contribution (4,500 persons or 9% of total NOM) to the Queensland population than permanent skilled visa holders. This proportion was lower than for Australia as a whole (13%) and for all other jurisdictions except SA (also 9%).

Skilled Visas

Over the five years to 2009, there was an 11% (530) increase in the net number of permanent skilled visa holders (granted offshore) contributing to the Queensland population, reflecting the policy focus on skilled migration to address labour shortages associated with the state's resources boom.

As with business 457 visa holders, however, the economic uncertainty associated with the Global Financial Crisis may have contributed to the sharp decline (-31%) in permanent skilled visa holders in Queensland during 2009. Despite this, people entering with skilled visas made up the largest group of permanent visa holders contributing to NOM in Queensland in 2009, providing a net gain of 5,200 persons, or 11% of total NOM, for the year. In comparison, however, the representation of permanent skilled visas was higher at the national level (15%) and in each of the other jurisdictions.

Special Eligibility and Humanitarian Visas

Special eligibility visas relate mainly to former citizens and residents requiring special visas to enter the country. This visa category contains very small numbers and has therefore been combined with the Humanitarian visa category, managed by the Australian Department of Immigration and Citizenship. The offshore resettlement component of the Humanitarian Program has two categories: refugees and a special humanitarian program.

Between 2004 and 2009, the number of special eligibility and humanitarian visa holders (granted offshore) contributing to NOM in Queensland increased by 15% or 180 persons. This group made a net contribution of 1,400 persons to the state's population in 2009, or 3% of total NOM for the year. This was slightly lower than representation at the national level (5%) and lower than in each of the other states and territories.

New Zealand Citizens

In comparison with temporary and permanent visa entrants, New Zealand citizens made a smaller contribution to total NOM in Queensland during 2009 (18%), although larger than the contribution of New Zealand citizens in all other jurisdictions. With 15,300 New Zealand citizens arriving in Queensland in 2009 (16% of all arrivals), and 6,700 departing (14% of all departures), this group contributed 8,600 persons to the Queensland population.

Australian Citizens

Among the major NOM groupings, Australian citizens traditionally make a negative contribution to NOM. In Queensland, however, they made a small positive contribution (2%) in 2009, adding just over 860 people to the state's population. The number of Australian citizens returning to Queensland in 2009 was almost 16,200, representing 17% of all arrivals to the state, while the number of Australian citizens departing was over 15,300, or 33% of all departures from the state. In comparison, the contribution of Australian citizens to national NOM was -0.1%, although most states and territories recorded positive contributions from Australian citizens and only NSW, Victoria and the ACT recorded negative contributions.

CONCLUSION

In Queensland, NOM has been a key driver of population growth in recent years. However, preliminary estimates for 2010 saw NOM fall below natural increase as the main component of the state's total population growth.

Underpinning much of the recent growth in NOM was a large increase in the number of international students and business 457 visa holders arriving in Queensland between 2005 and 2008. This suggests a growing engagement in the global economy and the state's increasing provision of education services to international students.

Growth in international student and business 457 visas may also be attributed to the disparity between NOM arrivals and NOM departures, reflecting time lags in visa and course duration, and the propensity for some temporary entrants to change their visa and residency status whilst onshore. Despite this growth, the representation of these visa groups in Queensland's NOM figures was relatively moderate when compared with the other states and territories.

The contribution of New Zealand citizens to NOM in Queensland was also significant, representing the second largest category of net overseas migration in 2009 and 18% of total NOM for the year (the highest among all states and territories).

With skilled migration being a key focus of Australia's immigration policy since the late 1990s, and Queensland continuing to experience a boom in the resources sector, the net contribution of permanent skilled visa holders to the state population in 2009 was relatively high compared with other visa groups. Of the various visa types, permanent skilled visas ranked third highest in Queensland in terms of their contribution to NOM after international students and New Zealand citizens. However, their proportional representation in the state's NOM figures was one of the lowest among the jurisdictions.

Significantly slowing the five year growth rate in total NOM, estimates for 2009 and 2010 show a sharp decline in net overseas migration to Queensland. This was driven by a combination of a decrease in arrivals and an increase in departures for temporary visa holders, permanent skilled visa holders and New Zealand citizens.

Despite this recent decline, overseas migration has contributed significantly to Queensland's population growth since 2005, with international students, New Zealand citizens and permanent skilled visa holders making the largest net contributions to the size and structure of the state's total population.

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